Related Change Request (CR) #: 3153 MLN Matters Number: MM3153

Related CR Release Date: March 26, 2004

Related CR Transmittal #:131 Effective Date: January 1, 2004

Implementation Date: March 26, 2004

## MMA - New Payment Allowance Percentages for DMERC Drugs

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

### **Provider Types Affected**

Suppliers and other providers who bill for certain drugs and biologicals not paid on a cost or prospective payment basis.

#### **Provider Action Needed**

Affected providers and suppliers should note that this instruction adds a payment limit percentage for the drug Capecitabine (Xeloda).

## **Background**

Effective January 1, 2004, the payment limit allowance for J8520 (Capecitabine, 150 mg) and J8521 (Capecitabine, 500 mg) will be 90 percent of the April 1, 2003 Average Wholesale Price (AWP). While this change is effective for these codes as of January 1, 2004, Medicare does not plan to search their files to make any adjustment to claims already processed, unless the provider brings such claims to the attention of their DMERC or fiscal intermediary (FI).

# **Implementation**

The implementation date for this instruction is March 26, 2004.

#### **Additional Information**

The official instruction issued to your carrier regarding this change may be found by going to <a href="http://www.cms.hhs.gov/transmittals/Downloads/R131CP.pdf">http://www.cms.hhs.gov/transmittals/Downloads/R131CP.pdf</a> on the CMS web site.

If you have any questions, please contact your DMERC/FI at their toll-free number, which may be found at <a href="http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip">http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip</a> on the CMS web site.

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